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WHY ARE ECONOMISTS' FORECASTS SO BAD?

FUND PERFORMANCE—WATCH THE TURNOVER RATE

DECEMBER 26, 1988

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FORBES

INVESTMENT BANKER JAMES WOLFENSOHN

WHEN HE TALKS, THE CORPORATE MIGHTY LISTEN

Forbes

Cover photo by William Coupon

39 *Land man*

DECEMBER 26, 1988
VOLUME 142
NUMBER 14

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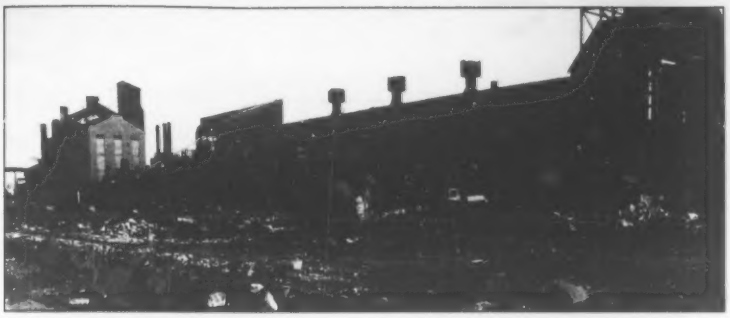

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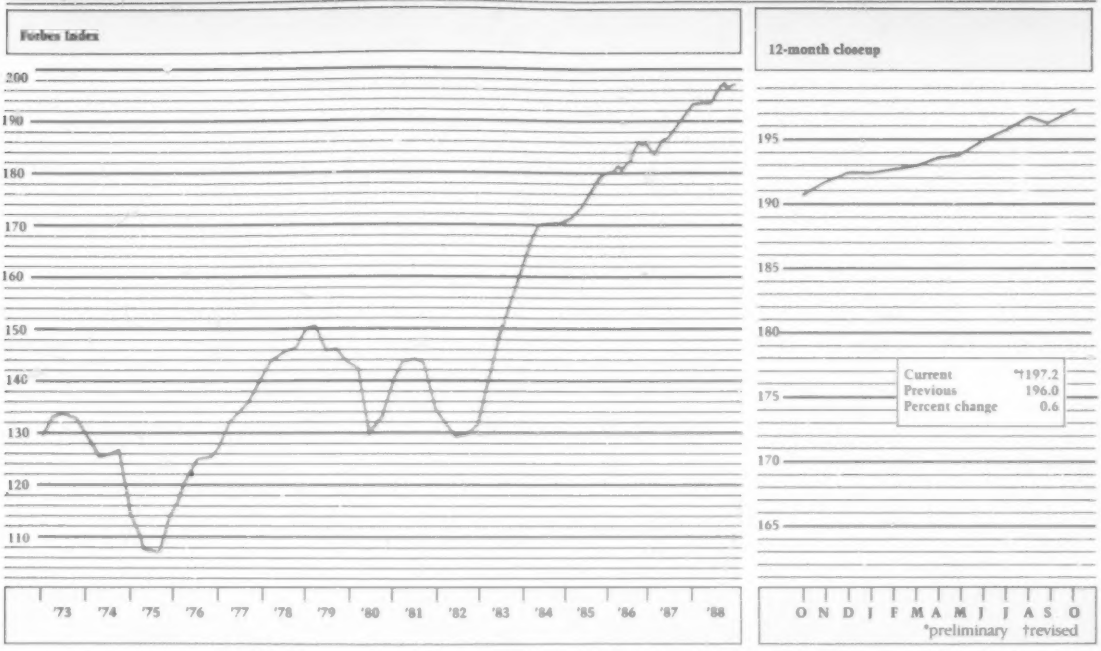
The Forbes Index



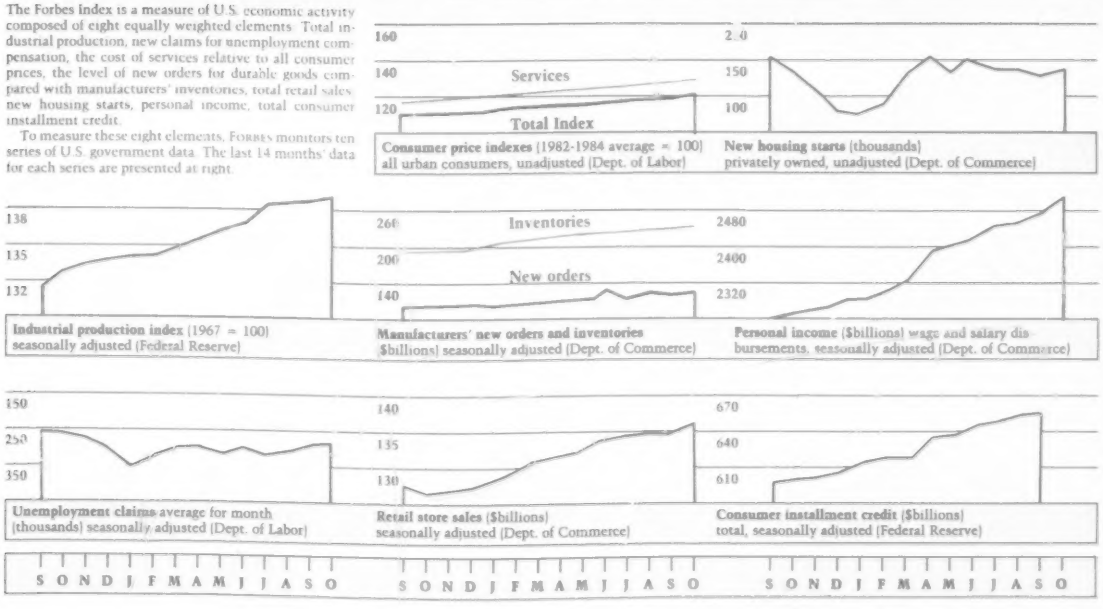
Staying the course. The revised third-quarter gross national product indicates that the economy grew at a 2.6% rate in the period. This momentum is likely to be sustained in the last quarter of 1988. The near-final Forbes Index for October (only consumer installment credit has yet to be reported) shows a 0.6% gain for the month, the strongest performance since last June.

In October personal income rose 1.5%, the best gain since April. The Consumer Price Index increased 0.3%, while the services component rose only 0.2%. Manufacturers' inventories notched up 0.8%, to a record $230 billion, but that was less than the gain in new orders, which were up 2.3% from their revised September level and came within 2.7% of their June peak.

The Forbes Index Components

The Forbes Index is a measure of U.S. economic activity composed of eight equally weighted elements. Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, the level of new orders for durable goods compared with manufacturers' inventories, total retail sales, new housing starts, personal income, total consumer installment credit.

To measure these eight elements, Forbes monitors ten series of U.S. government data. The last 14 months' data for each series are presented at right.


160
140
120
Services
Total Index
Consumer price indexes (1982-1984 average = 100) all urban consumers, unadjusted (Dept. of Labor)
2.0
150
100
New housing starts (thousands) privately owned, unadjusted (Dept. of Commerce)
138
135
132
Industrial production index (1967 = 100) seasonally adjusted (Federal Reserve)
260
200
140
Inventories
New orders
Manufacturers' new orders and inventories ($billions) seasonally adjusted (Dept. of Commerce)
2480
2400
2320
Personal income ($billions) wage and salary disbursements, seasonally adjusted (Dept. of Commerce)
450
350
250
Unemployment claims average for month (thousands) seasonally adjusted (Dept. of Labor)
140
135
130
Retail store sales ($billions) seasonally adjusted (Dept. of Commerce)
670
640
610
Consumer installment credit ($billions) total, seasonally adjusted (Federal Reserve)
S O N D J F M A M J J A S O
S O N D J F M A M J J A S O
S O N D J F M A M J J A S O

What happens when mutual thrifts convert to stock ownership? All too often, the shareholders end up taking a bath.

Beware of bankers bearing shares

By Matthew Schifrin

IN THE LAST FIVE YEARS at least 350 mutual savings banks have been converted to stock ownership. In the conversions, sizable chunks of the resulting shares have usually wound up in the hands of the banks' own depositors, who must have felt they were getting in on the ground floor of a good thing. Now more than a third of these stocks are trading below their initial offering price *(see table, p. 43)*.

In Little Rock, Ark., $1.6 billion (assets) First Federal Savings went public at $10 a share in April 1986. Two years later, it is insolvent. Two Buffalo, N.Y. thrifts—$11 billion Empire of America and $15 billion Goldome—showed profits when they went public in 1986 and 1987 respectively, but were in fact already economically insolvent. Their shares now trade at less than 40% of the initial offering prices. The stocks of Colorado's AmFed Financial (assets, $850 million) and Florida's Royal Palm Savings (assets, $1 billion) also looked healthy when they converted to stock ownership; today their shares trade at around 10% of the initial offering price.

New York's Anchor Savings Bank is the 20th-largest thrift in the U.S., with $8 billion in assets on its books. In mid-November New York's Ensign Bank, a thrift owned by Ted Arison, chairman of Carnival Cruise Lines, and one-fourth Anchor's size, offered to buy Anchor for $170 million in cash, or $9.75 a share—double the market price. But that was 15% below what investors paid for Anchor's stock only 18 months ago.

By the time Anchor went public in April 1987 at $11.50 a share it had already bought more than a dozen ailing thrifts and had 127 branches in four states, as well as mortgage and consumer loan offices from California to Florida. It went public by offering 17.6 million shares to its own depositors, who bought the entire offering, often directly from salespeople who set up desks in Anchor branches to catch the walk-in trade. The pitch? Why be a mere depositor when you can be an actual owner?

"I just filled out a form and Anchor withdrew the funds from my savings account," reports Stewart Lilker, 42, a Freeport, N.Y. businessman who wound up emptying his savings ac-

Anchor Savings' Anchor Bankers, Chairman Donald Thomas and his wife, Barbara
Within 14 months of going public, net income had dropped 90%.

Dressed up to go nowhere

These stocks, in order of percentage decline in value, are down more than 50% but showed great earnings just before going public.

Institution (state)	Total assets (mil)	IPO date	Offer price	Recent price
First Federal Savings (AR)	$1,619	Apr 86	$10.00	$0.44
AmFed Financial (CO)	828	Dec 80	11.00	0.50
Royal Palm Savings (FL)	551	Feb 84	6.67	0.56
Great Southern FSB (GA)	997	Mar 84	9.50	1.13
First Service Bank (MA)	895	Aug 86	7.50	1.50
First Capitol Financial (CO)	1,304	May 84	7.75	2.13
Empire of America (NY)	10,690	Nov 86	5.63	1.63
Home Unity Savings (PA)	1,082	Nov 86	7.75	2.25
Goldome FSB (NY)	15,135	July 87	7.00	2.38
Meritor Financial (PA)	17,479	Sept 83	11.25	4.38
Anchor Savings (NY)	7,946	Apr 87	11.50	7.25*

*12-month low = $3.88. *Source: SNL Securities, Hoboken, N.J.*

count of $34,500 to buy 3,000 Anchor shares.

Anchor's promotions included mailings, television commercials and hotel seminars. A prospectus was distributed that reported that Anchor went from a $52 million loss in 1985 to a $41 million profit in fiscal 1986. But the prospectus also showed that, in preparation for going public, Anchor had sold off some of its best portfolio assets, creating large one-time earnings gains.

There was also a one-time earnings gain resulting from an agreement by the Federal Savings & Loan Insurance Corp. to write off $32 million in debts owed to it by Anchor. All this suggested to potential investors that at $11.50 a share, Anchor's stock would be selling at a dirt-cheap 4.75 times current earnings.

For icing on the cake, the prospectus even claimed a $370 million positive net worth for the bank. In fact, the bank had over $500 million in goodwill already on its books from the purchase of troubled lenders and in reality had a negative net worth of at least $150 million.

Within 14 months of Anchor's going public, net income had dropped over 90%, to $6.7 million. The bank, having already sold off many of its choicest assets to dress itself up for the public offering, saw its return on assets vanish.

Who's responsible for this thoroughgoing mess? Chairman Donald Thomas, 71, presides over a 12-person board of directors that includes a psychiatrist, an anesthesiologist, the owner of a Bronx moving company, and a television actor, Robert Keeshan, known to a whole generation of kids as Captain Kangaroo.

Arison has now surfaced with his $9.75-a-share takeover offer, and considering the losses they've already sustained, shareholders are almost certain to approve the deal when they vote on it at a special meeting set for next spring. Chairman Thomas will, of course, be out of a job, but he won't be out of luck. There's a $310,000 annual pension for his remaining years, a $2.25 million golden parachute, as well as a gain in Anchor stock worth some $700,000.

Who else benefits from such shenanigans? The U.S. government, more specifically the Federal Savings & Loan Insurance Corp. Anchor had a $150 million deficit in tangible net worth when it went public, because it had acquired dead S&Ls from FSLIC and picked up over $500 million in goodwill. When Anchor raised $200 million by selling stock to its depositors, the FSLIC got $200 million of protection for its insurance fund. The moral of the Anchor mess: Beware of thrift institutions going public after dramatic earnings improvements, especially if there is a lot of goodwill on the books. Your investment may benefit federal regulators more than your own portfolio. ■

Texans are known as high rollers. But here's Duncan, Cook, a Houston leveraged buyout firm that plays a cautious game—and does very well at it.

Cautious player in a wild game

By John H. Taylor

EXECUTIVES OF Brookstone Co., the specialty tool and gadget retailer, panicked when they learned that parent Quaker Oats Co. was putting the company on the block in 1986. Brookstone is headquartered in the tiny hamlet of Peterborough, N.H., where it is the second-largest employer. Suppose the buyer decided to move the business. What would happen to Peterborough? To them?

Enter Houston's Duncan, Cook & Co. Founded in 1984 by former U.S. Energy Secretary Charles W. Duncan Jr., his brother John and former Rotan Mosle senior vice president Stephen Cook, the leveraged buyout firm was immediately attracted to Brookstone. It met all of Duncan, Cook's investment criteria: It had a solid market niche selling hard-to-find tools and gadgets; it was growing steadily; it had proven management; and it could be had at an attractive price—only six times cash flow.

In late 1986 Duncan, Cook beat out nine other bidders for Brookstone in a $60 million leveraged buyout. Two years later everyone connected with the deal is delighted. The company is still in Peterborough. Its top managers—all of whom remained—now own about 15% of the company. Brookstone has opened 23 new stores,

So maybe the national debt isn't that big compared to the economy, some skeptics say. But aren't the interest payments worryingly large? FORBES takes a look.

Tower or trickle?

By Peter Brimelow

RECENTLY FORBES presented an article full of charts on the U.S. economy ("Is the Reagan prosperity for real?" *Oct. 31*). These charts showed that the economy is less shockingly out of balance than is popularly believed. The article looked at celebrated measures like the budget deficit and foreign indebtedness and concluded that they are not out of line relative to gross national product and in comparison to those of other industrial countries.

A number of our readers were distinctly reluctant to accept this happy news. Some, focusing on the issue of federal borrowing in the Reagan era, called for a more sophisticated measure: The telltale sign of strain, they said, is not the national debt itself (which in fact has merely returned to its levels under President Kennedy) but the burden of interest payments on that debt.

So by popular demand FORBES herewith presents a chart of net interest payments on federal debt relative to GNP since 1935, along with the national debt and federal receipts *(see chart, below)*. The critics do have a point: The interest burden did virtually double after 1979, reaching a high of 3.3% of GNP in 1985, before leveling off to 3.1% in 1987. The 1985 level is a new record.

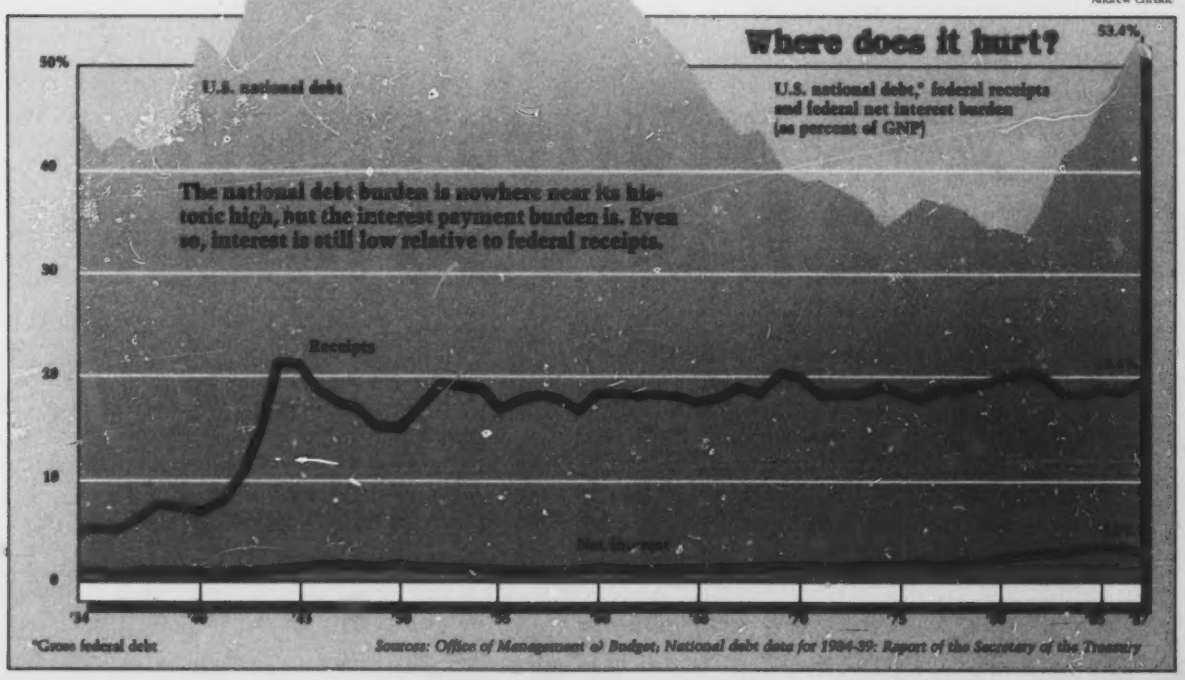
A new record, yes, but hardly a "tower"—more like a persistent trickle. In particular, service on the national debt remains fairly small in comparison with federal government receipts, most recently 19.4% of GNP. Today's interest burden actually represents about the same share of federal receipts as in the immediate pre-World War II years, before the subsequent upward leap in Washington's tax take.

Moreover, the U.S. interest burden is not exceptional in comparison with that of the other industrial economies *(see chart, p. 69)*. Since in most countries central governments perform functions that in the U.S. are devolved to the state and local authorities, the Organization of Economic Cooperation & Development lumps all levels of government together to give a "general government" figure. Our chart thus lumps together U.S. federal, state and municipal revenues and debt burdens. (Some U.S. states and municipalities have net interest income, reducing the overall interest burden.)

Even West Germany, supposedly a paragon of economic virtue, has a general government interest burden in the same range as that of the U.S. And the U.S. burden is notably below that shouldered by Canada and Italy, the blithe black sheep of the Group of Seven.

The general government interest burden has increased in most Group of Seven countries, not just in the U.S., during the 1980s. Japan's went from 0.8% of GNP to 1.8% between 1979 and 1984. The key reason: the dramatic worldwide increase in inter

Andrew Christie

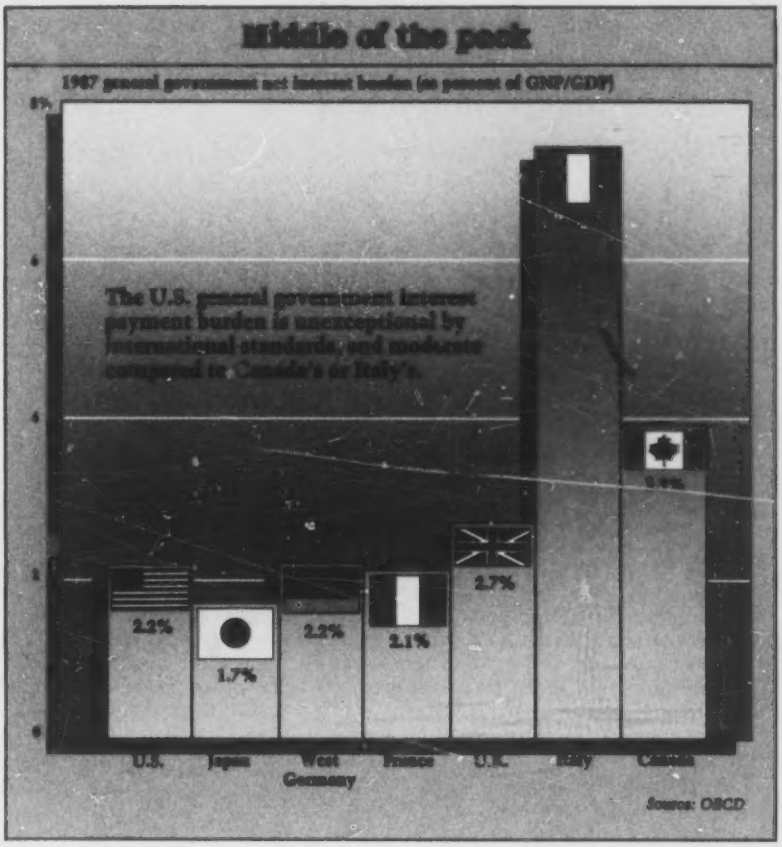


est rates. This phenomenon also accounts for the paradox that, although the U.S. interest burden in the 1940s was lower than it is today, the national debt, relative to GNP, was vastly higher. Thus the U.S. prime rate was 1.5% to 2% throughout the 1940s. Right now it's 10.5%.

Why were U.S. interest rates lower in the 1940s—even though the national debt and the wartime budget deficit were far larger? To some extent, because the government managed them through an agreement between the Federal Reserve and the Treasury and through extensive financial regulations, some of which survived until the 1980s.

This manipulation may have made financing the government easier, but it had unpleasant side effects, such as recession and inflation. It was also an unconscionable rape of the people who saved and invested. Because savers are no longer suckers—they now want to be compensated for inflation and market volatility—governments cannot borrow as cheaply as they once could. Tough.

In any case, optimists can tell themselves that there is at least a logical possibility that interest rates will return to normalcy—bringing the federal net interest burden down as well. ■



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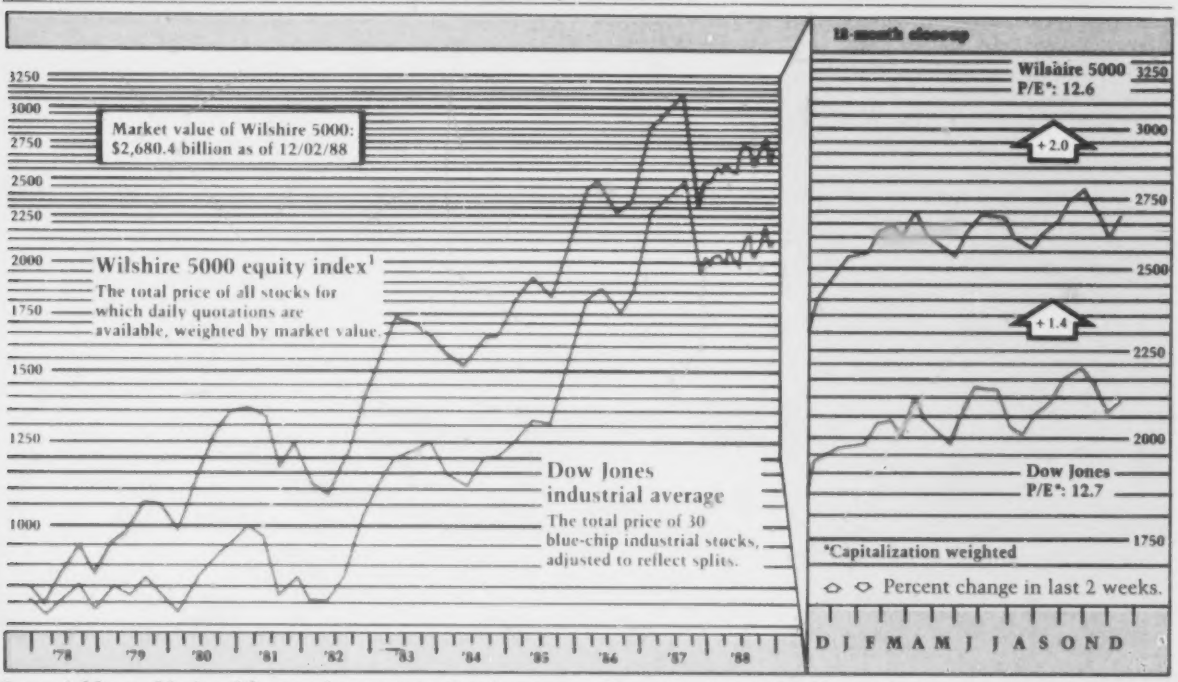
The Forbes/Wilshire 5000 Review

Edited by Steve Kichen



Low yields could signal lower share prices. Stock prices and earnings are often erratic, but dividends tend to be much more stable. This is the thesis of Geraldine Weiss and Janet Lowe's recent book, *Dividends Don't Lie: Finding Value in Blue Chip Stocks*. Weiss believes a stock's underlying value is in its dividends, not its earnings or its prospects for capital gains. For the past 23 years Weiss has preached this concept in *Investment Quality Trends*, a La Jolla, Calif.-based newsletter. "Markets will go up and down, but the yield will remain between 3% and 6%," she says. Weiss is rather bearish now. That's because, with interest rates rising, Wall Street may become unhappy with the present yield of only 3.7% on the Dow stocks. For example, for the Dow to yield 6% at current payout levels, the average must decline 800 points.

During the last two weeks the markets remained subdued. New York Stock Exchange trading averaged 145 million shares daily. The Wilshire index gained 2%.

Closeup On the Equity Markets

Performance of six leading indexes

Percent change	Wilshire 5000	Forbes 500[2]	Dow Jones industrials	NYSE Composite	Amex Market Value Index	NASDAQ Composite
in last 4 weeks	–1.7	–1.9	–2.5	–1.7	–0.8	–1.9
in last 52 weeks	22.6	21.3	18.4	21.5	27.3	27.6

Stock performance based on six key investor yardsticks

Percent change	Company size		Volatility[3]		P/E multiple		Dividend yield		Growth profile[4]		Share price	
	large	small	high	low	over 21	under 8	over 4.5%	none	high	low	over $34	under $4
in last 4 weeks	–1.8	–2.7	0.0	–1.2	–1.0	–2.6	–1.6	–0.2	–0.4	–1.7	–2.1	–3.5
in last 52 weeks	26.7	61.6	80.6	29.2	41.1	37.7	23.4	81.8	75.0	30.8	30.1	51.8

[1]Wilshire index reflects price performance. It differs slightly from market value of outstanding stocks because of retirements of equity since index was created. [2]Based on sales. [3]A stock's sensitivity to overall market movement. High-volatility issues have wide price fluctuations, low-volatility issues are more stable. [4]A quantitative evaluation of a stock's growth image, determined by Wilshire Associates.

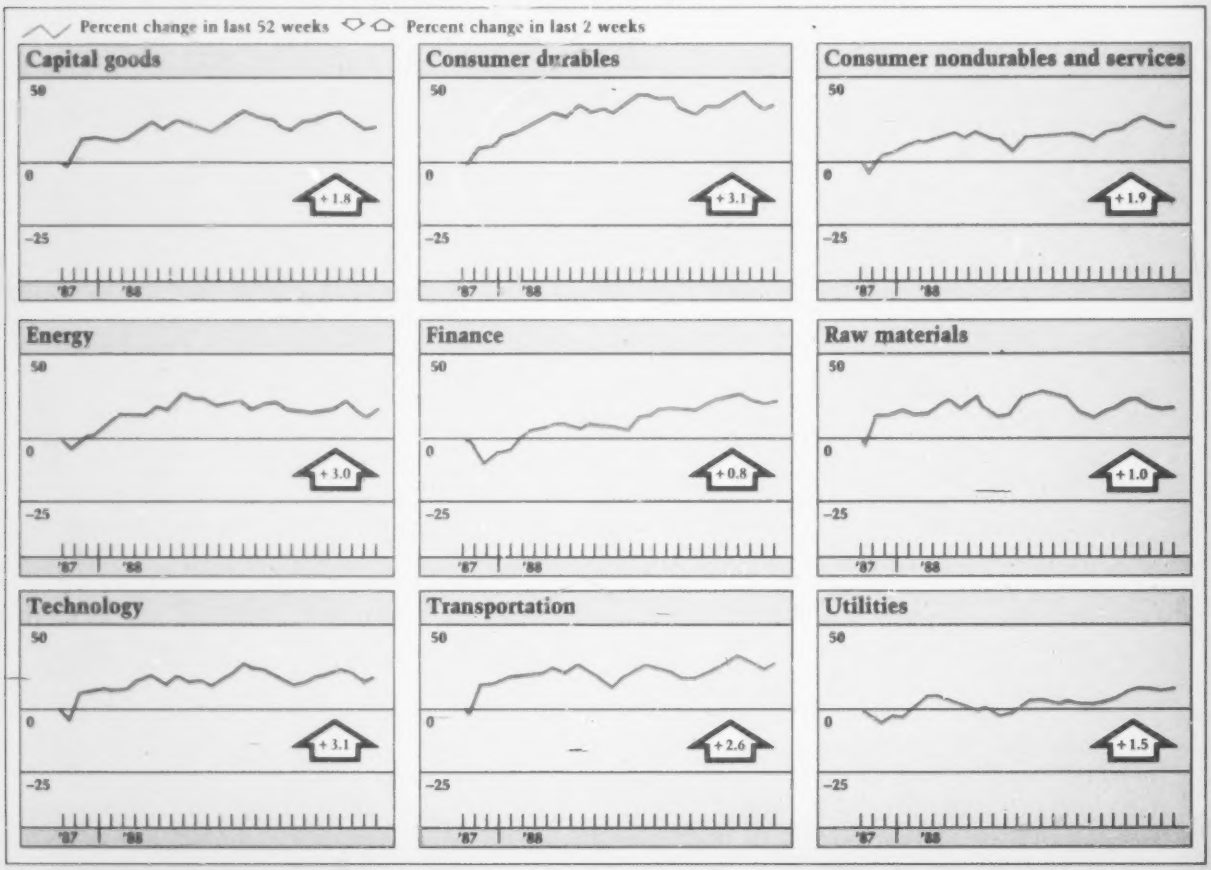
Note: All data for periods ending 12/02/88. Prepared by Wilshire Associates, Santa Monica, Calif.

Steven Ramos

Where the Action Is

Advances in technology. Over the past two weeks this group advanced 3.1% for a first-place tie with consumer durables. The best stocks in the technology sector were 3Com, Amgen, MCI and Autodesk, all of which posted gains in excess of 10%.

Consumer nondurables, which advanced only 1.9%, lagged the Wilshire index. The footwear stocks were one of the weaker industries in this sector. Both Reebok and Nike fell over 7%. Reebok is expected to show a decline in 1988 earnings. Insider profit-taking may have hurt Nike, a stock that has more than doubled from its 1987 low. *Vickers Online Services* reports that Nike has had nine consecutive insider sales since May, with insiders unloading over $8 million in stock.



What the Analysts Think

Brokerage houses search for a bottom. Security analysts over the past two weeks downgraded their 1988 earnings estimate for Merrill Lynch, from $3.02 to $2.19. But the experts raised their forecast for PaineWebber, which earned $3.03 a share in 1986. The 1988 earnings estimates for PaineWebber rose 21%, to 63 cents a share.

Forecasting the Forbes Sales 500

Performance period	Average earnings per share	P/E
latest 12 months	$3.30	11.6
1988 estimates	3.59	10.7
1989 estimates	3.97	9.7

Rank based on change in estimate	Sector	Estimated 1988 EPS	Estimated 1988 P/E	% change in 1988 estimate in 2 weeks	% change in 1988 estimate in 4 weeks
1	Consumer durables	$5.09	11.3	0.66%	2.78%
2	Utilities	2.39	10.3	0.28	0.32
3	Capital goods	2.72	14.1	0.07	0.13
4	Energy	3.26	11.9	0.02	0.87
5	Raw materials	3.18	9.2	-0.18	-0.12
6	Consumer nondurables	2.48	14.0	-0.19	-0.48
7	Finance	3.36	8.6	-0.38	-0.46
8	Transportation	2.28	12.2	-0.40	-0.23
9	Technology	3.00	11.7	-0.61	-1.09

Earnings projections are capitalization-weighted consensus estimates from over 3,000 security analysts. Data are compiled and updated continually by the Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan, a New York-based brokerage firm.

Note: All data for periods ending 12/02/88. Prepared by Wilshire Associates, Santa Monica, Calif.; IBES, a service of Lynch, Jones & Ryan, New York.

Quiescently managed money

Sometimes brilliance in a money manager consists of doing very little. All these funds have performance much better than average and turnover lower than average, which in 1987 was 103% for equity funds.

Fund	Assets ($mil)	Maximum sales charge	Annual expenses per $100	Performance UP markets	Performance DOWN markets	Annualized 5-year return	12-month return	Average annual turnover 1983-87
Dodge & Cox Stock	$75	none	$0.65	A	B	16.6%	–11.1%	15.0%
Fundamental Investors	667	5.75%	0.63	B	B	15.2	–12.1	17.6
Investment Co of America	4,149	5.75	0.42	B	B	15.3	–10.1	15.6
Pioneer II	3,808	8.50	0.81	B	B	11.4	–12.1	19.0
Sigma Capital	92	6.00	1.12	B	B	11.4	–13.1	9.8
Templeton Foreign	297	8.50	0.77	—*	—*	18.9	–4.8	9.4
S&P 500						14.7	–12.3	

*Not in operation long enough to be ranked. *Sources: Morningstar, Inc., Chicago, Ill.; Forbes/CDA Mutual Fund Evaluator on diskette.*

ods of time." ICA's largest holding is Philip Morris, first bought by the fund 25 years ago for $2.50 a share, adjusted for several splits. The tobacco and food conglomerate now pays an annual dividend of $4.50 a share.

For the funds in the middle of the pack in turnover, there seems to be no correlation between turnover and return. At the extremes, however, there is a distinct negative correlation: The less trading a fund manager does, the more good he does for investors. Over the five years ending September, the average equity fund returned 10.3% a year. The busiest 10% of stock funds in terms of 1987 turnover eked out 8.8% a year, while the quietest 10% clocked up 11.3%.

Stacking up 1983-87 turnover against performance for the same five-year period yields similar, if less dramatic, results. Portfolio managers with annual turnovers above 200% averaged 11.6% a year, just below the 11.8% average for all equity funds, while funds with 20% turnover or less scored a better-than-average 12.2%.

That's no surprise to John Haslem, a University of Maryland finance professor and author of *The Investor's Guide to Mutual Funds*. Haslem knows that frenetic trading increases commissions and other costs. "The managing of expenses is so important because, on average, funds are rather average," he argues. "The difference [in performance] comes from controlling costs."

How much does it cost to trade? Brokerage commissions might run a nickel a share, or 0.25% round-trip on a $40 stock. A fund with 400% turnover would thereby shave a percentage point off its annual return. This cost, by the way, is not included in the expense ratio shown in the fund's prospectus (and published in mutual fund surveys), although it can sometimes be found in the "statement of additional information."

Commissions are quite painful for customers of some Fidelity Select funds. In the most recent fiscal year, the Electronics Portfolio ran up commissions of 1.5% of assets, Energy Services 3.8%, and Savings & Loan 2.4%. A Fidelity affiliate collected about 16% of these commissions.

And commissions are only part of the story. Harder to assess, but probably far greater, is the indirect cost of trading: the fact that buy orders tend to momentarily push up the price of a stock, and sell orders to push it down. "Most people who run high-turnover funds say that they can overcome those costs and give you high returns," sniffs Gerald Perritt, editor of the Chicago-based *Mutual Fund Letter*. "It just ain't so."

So don't invest in a fund without knowing about its turnover rate. You'll find it listed in the prospectus. And if you're in a fund that isn't doing well, check out that same ratio—it might explain why the fund is doing badly. ■

Statistical Spotlight

Accountants will soon force employers to put pension liabilities on their balance sheets. Which companies will take a hit?

Owning up to pensions

By Evan Sturza

THE FINAL provision of the Financial Accounting Standards Board's much-feared Rule 87 is about to go into effect. Investors beware. It mandates inclusion of unfunded pension liabilities on the balance sheet, alongside other liabilities. A good many companies that now have tidy balance sheets may end up with highly leveraged ones. The deadline is for 1989 annual reports that will be published in 15 months. Who will be most hurt

by the new rules? Some Rust Belt companies with large numbers of retired employees could be hit hard. In the accompanying table, we pick some likely losers.

The accounting rule didn't come without a lot of hair-pulling. Pension liabilities are a sore subject with old-line manufacturers, and a complex actuarial topic. Indeed, the standards board debated the issue for ten years before issuing Rule 87 in 1985. It's a complicated subject, but investors will ignore it at their own risk.

We searched the Value Line database for companies whose pension underfunding is a large fraction of shareholder equity. Not surprisingly, steel companies show up prominently on the list. But the situation is not as grim as the raw numbers imply. Bethlehem Steel Corp., for example, appears in the database with a $1.6 billion pension underfunding as of Dec. 31, 1987. The company, however, had already effectively put $1.2 billion of this liability on its balance sheet by recording writedowns and reserves.

Thus, the table shows a net, unaccrued pension underfunding as of last December of $450 million. Moreover, in 1988 Bethlehem has been throwing extra cash into the pot (over and above regular pension contributions). The company expects only $350 million of unaccounted-for pension liability by the end of the year.

Gary Hallgren

Is Bethlehem out of the woods? Not all analysts think so. One who is bearish on the company, Chriss Street of Seidler Amdec in Los Angeles, argues that the liability would be much higher if the company were more conservative in its actuarial assumptions.

There's the rub: Under previous accounting rules companies had discretion to make and change various assumptions used in calculating pension obligations. In 1986, when Navistar increased its assumed rate of return for its pension plan from 7% to 9%, it boosted its profits by $8 million. How so? The higher the estimate of future returns, the less needed now to fund the plan. Rule 87 will tighten rules on actuarial assumptions.

As the deadline approaches for compliance, companies are looking for ways to reinforce their pension plans. In September Chrysler sold $300 million of stock, the proceeds going into the $3 billion pension plan.

David Tice, who publishes *Behind the Numbers*, a Dallas newsletter, raises another issue: unfunded liabilities for postretirement medical benefits. These future liabilities aren't yet covered under Rule 87, but the accounting rulemakers are studying the matter. Tice argues that if accounting rules for medical benefits were as stiff as for pension benefits, some employers would take a severe cut in their net income.

Bethlehem, for one, might end up with a cost more than double the $77 million it is currently expensing on a pay-as-you-go basis. Bethlehem's chief financial officer, Gary Millenbruch, is reluctant to forecast what tougher accounting rules could do to the retiree health expense. But he notes that the count of covered employees is going to trend downward.

No definitive numbers are yet available on future medical benefit exposures, but the current-expense figure (last column in the table) hints at where future obligations could be large. ■

Where will the money come from?

Pension assets at these firms fell short, as of last December. Some companies, such as Bethlehem and Chrysler, have recently given their pension funds an extra dose of cash. Others may take the easy route of only gradually reflecting the shortfall in their balance sheets. The column "Pension liability, unaccrued" shows how much of the pension liability was not yet reflected on the balance sheet at the end of last year.

Company/business	Recent price	Net worth	—Pension liability— unfunded	unaccrued	Adjusted net worth[1]	Debt/ total cap	Cash flow per share	Retiree health costs[2]
		($mil)						($mil)
Anchor Glass/glass packaging	9⅝	$87	$59	$34	$53	83%	$4.71	$2
Armco/steel	8⅝	739	418	141	597	44	1.93	48
Bethlehem Steel/steel	19¼	1,208	1,625	450	758	48	4.86	77
Chrysler/automobiles	26	6,503	2,790	2,567	3,936	34	7.93	203
Navistar International[3]/trucks	5⅛	643	425	396	247	23	0.47	100
Pan Am/airline	2⅛	(245)	504	203	(448)	133	(0.73)	25
Texas Air/airline	14	949	326	72	877	84	2.85	19
Westinghouse/multicompany	51⅛	3,577	1,048	879	2,698	64	7.52	45

[1]Net worth less unaccrued pension liabilities. [2]Current pay-as-you-go annual expenses for retiree health care and other nonpension benefits.
[3]As of Oct. 31, 1987.

Sources: Value Line Database Service, via Lotus CD Investment; Forbes.